

OFFICIAL COPY

Fresno, California

June 6, 2006

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Tom Boyajian	Councilmember
	Brian Calhoun	Councilmember
	Mike Dages	Councilmember
	Henry Perea	Acting Council President
	Cynthia Sterling	Councilmember
	Larry Westerlund	Councilmember
	Jerry Duncan	Council President

Andy Souza, City Manager
James Sanchez, City Attorney
Becky Klisch, City Clerk
Yolanda Salazar, Assistant City Clerk

Shellie Fritz of One by One gave the invocation, and Councilmember Dages led the Pledge of Allegiance.

PRESENTATION OF THE SPCA PET OF THE MONTH - COUNCILMEMBER WESTERLUND

The pet of month available for adoption, a 2 month old kitten, was presented.

RESOLUTION CONGRATULATING THE FLEET MANAGEMENT DIVISION FOR EARNING THE ASE BLUE SEAL OF EXCELLENCE OF RECOGNITION FOR THE SIXTH CONSECUTIVE YEAR - MAYOR AUTRY AND CITY MANAGER SOUZA

Read and presented.

APPROVE MINUTES OF MAY 16, 24 AND 31, 2006:

On motion of Councilmember Dages, seconded by Acting President Perea, duly carried, RESOLVED, the minutes of May 24 and 31, 2006, approved as submitted, and the minutes of May 16, 2006, *approved as amended*, by Councilmember Westerlund, on Page 147-168, Item 9:15 a.m. "B", third paragraph, changing a portion of the fifth sentence by removing the following language: "...he felt homes in their entirety should be equipped with sprinklers,..." and replacing it with "...based upon the testimony of the BIA's expert witness, Mr. Slifka, they make the case that homes should be entirely sprinklered, ...".

COUNCIL MEMBER REPORTS AND COMMENTS:

Councilmember Dages noted only three members of the public attended the budget meeting last week at the Woodward Park Library and the majority was staff, stated having meetings throughout the city costs a lot of money in terms of staff time/equipment set-up, and stated having only three people show up out of 470,000 makes it economically unfeasible and questioned if the process should be changed back to having the meetings at city hall. President Duncan clarified the idea was to give outside meetings a shot to see if they would work and stated he, too, was a little disappointed in the low turn out, and suggested since the next two meetings were already set that they be held as planned and if the trend continues stated Council could then decide if they want to return to city hall, which was accepted.

Councilmember Sterling gave a report on the trip that she, Councilmembers Boyajian and Westerlund, and necessary City and Agency staff took to Las Vegas for the International Conference of Shopping Centers (ICSC) and the number of meetings attended and discussions with drop-ins, stated Fresno had a reason to be present there and needed to continue to send a delegation adding the Mayor and City Manager should be part of that team, and stated the conference was a success and elaborated on the need to have Fresno's story told by its officials.

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Councilmember Calhoun (1) spoke to the number of calls he is continuing to receive and to the frustrations that have again resurfaced relative to Herndon Avenue and questioned what the status was of getting the project being completed, with City Manager Souza stating he would provide a update by tray memo; (2) noted he continues to see broken/busted out windows on the Las Margaritas building but is being told by staff that the building is ok and it is not abandoned, and stated he has heard there was a party interested in the building and requested a status report; and (3) noted there was a nice promotion recently at the assistant city manager level and also two awards were given to a deputy chief of police and to Lt. Reed and stated he was very proud of them. Mr. Souza advised a formal announcement on the police awards was forthcoming and relative to the promotion stated the appointment of Bruce Rudd as the Assistant City Manager was announced yesterday with pleasure and added there were some good candidates but Mr. Rudd rose to the top of the field and it was good to have him on board on a permanent basis.

Councilmember Boyajian (1) thanked public works staff for taking the initiative and starting a NNLB project in the west Clinton/Weber area; (2) following up on Councilmember Sterling's comments stated Fresno needed to have a presence at not only the ICSC conference but at all other conferences not attended like the industry convention in Monterey to get Fresno's story out and to change its perception; and (3) questioned the status of the nepotism ordinance, with City Attorney Sanchez stating he would provide an update.

Councilmember Westerlund (1) also reported on the ICSC conference pursuant to AB 1234 stating the delegation did attend a number of meetings and the trip was very productive overall; and (2) stated he was also very disappointed that nothing has happened with the Las Margaritas building adding there were opportunities there.

Councilmember Duncan stated after a news report about six months ago he brought forth his concern of ice cream vendors selling toy pellet guns from their trucks, stated at that time he was given a commitment that staff would look into the issue and return with some ideas, noted there was a newspaper story recently on concerns raised at a District 1 meeting of ice cream vendors selling the toy guns and questioned if staff ever looked into the matter, with City Manager Souza stating code enforcement and police staff did some work and he would look into what was done and report back. President Duncan clarified this was different from the stores on Fulton Mall that sell the toy guns and stated he wanted to see some options and agreed with a suggestion in the story that there should be an ordinance banning ice cream trucks from selling anything but ice cream as this was a public safety issue.

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APPROVE AGENDA:

(10:40 A.M. #1) CONTINUED HEARING ON CFD NO. 11, ANNEXATION NO. 3, TRACT NO. 5352 (*Continue to June 13, 2006, at 10:40 a.m.*)

Continued as noted

(10:45 A.M. #1) CONTINUED HEARING TO CONSIDER ADOPTION OF RESOLUTIONS AMENDING THE SCHEDULE OF COSTS AND FEES RELATED TO THE STORM DRAINAGE MASTER PLAN (*Continue to June 20, 2006, at 10:45 a.m.*)

Continued as noted.

(1-X) RESOLUTION - APPROVING THE FINAL MAP OF TRACT NO. 5270 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, NORTH OF E. COPPER AVENUE AND EAST OF THE N. MAPLE AVENUE ALIGNMENT

1. AUTHORIZE THE PUBLIC WORKS AND PLANNING & DEVELOPMENT DIRECTORS TO EXECUTE THE NECESSARY DOCUMENTS

Laid over one week at the request of the applicant.

City Clerk Klisch noted items pulled from the Consent Calendar would be laid over to June 13th if they were *not* time sensitive, and advised Items 1-O, 1-P, 1-Q, 1-R and 1-Z were time sensitive.

(3:15 P.M.) CONTINUED HEARING ON REZONE APPLICATION NO. R-05-63 AND ENVIRONMENTAL FINDINGS FILED BY GEORGE GODDARD, SOUTH SIDE OF E. POWERS BETWEEN N. CEDAR AND N. MAPLE AVENUES

1. CONSIDER AND ADOPT E.A. NO. R-05-63/C-06-19/T-5564, DATED MARCH 30, 2006, FINDING OF CONFORMITY TO THE GENERAL PLAN MEIR

2. BILL - AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT SITE FROM AE-20/UGM TO R-1-C/UGM

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President Duncan advised there were citizen concerns and requested the hearing be continued one week adding everyone involved was aware of this request. By Council consensus the hearing was continued to June 13th at 3:00 p.m.

On motion of Councilmember Westerlund, seconded by Acting President Perea, duly carried, RESOLVED, the **AGENDA** hereby approved, as amended, by the following vote:

Ayes	:	Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes	:	None
Absent	:	None

ADOPT CONSENT CALENDAR:

Councilmember Dages pulled Item **1-BB**, Councilmember Sterling pulled Item **1-Q**, and Councilmember Boyajian pulled Items **1-J**, **1-L**, **1-M** and **1-AA** from the Consent Calendar.

Councilmember Boyajian registered a "NO" vote on Items **1-Q** and **1-X**.

City Clerk Klisch clarified Items **1-J**, **1-L**, **1-M**, **1-AA** and **1-BB** would be laid over to June 13th for consideration, and time sensitive Items **1-Q** and **1-Z** would be heard this date at 2:00 p.m.

(1-A) RESOLUTION NO. 2006-180 - AUTHORIZING THE APPLICATION FOR AND ACCEPTANCE OF FY 2005 CYCLE U.S. DEPARTMENT OF HOMELAND SECURITY/OFFICE OF DOMESTIC PREPAREDNESS "ASSISTANCE TO FIREFIGHTERS" GRANT FUNDING IN THE AMOUNT OF \$409,900, AND AUTHORIZE THE FIRE CHIEF TO COMPLETE ALL REQUIRED DOCUMENTS

1. RESOLUTION NO. 2006-181 - 80TH AMENDMENT TO AAR 2005-286 APPROPRIATING THE \$409,900 TO THE FIRE DEPARTMENT TO FUND THE FIRE SAFETY/EDUCATION PROJECTS IDENTIFIED IN THE APPROVED GRANT REQUEST

(1-B) RESOLUTION NO. 2006-182 - AUTHORIZING THE APPLICATION FOR AND ACCEPTANCE OF FY 2005 CYCLE U.S. DEPARTMENT OF HOMELAND SECURITY/OFFICE OF DOMESTIC PREPAREDNESS "METROPOLITAN MEDICAL RESPONSE SYSTEM" GRANT PROGRAM FUNDS IN THE AMOUNT OF \$220,800, THROUGH THE COUNTY OF FRESNO, AND AUTHORIZING THE FIRE CHIEF TO COMPLETE ALL REQUIRED DOCUMENTS

1. RESOLUTION NO. 2006-183 - 79TH AMENDMENT TO AAR 2005-286 APPROPRIATING THE \$220,800 TO THE FIRE DEPARTMENT TO PROVIDE TRAINING, EQUIPMENT, MEDICAL SUPPLIES AND CONTINUING PROGRAM OVERSIGHT

(1-C) RESOLUTION NO. 2006-184 - APPROVING AND ADOPTING THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) AS THE OFFICIAL ALL-HAZARDS, INCIDENT RESPONSE SYSTEM FOR THE CITY OF FRESNO EMERGENCY MANAGEMENT AS PER EXECUTIVE ORDER S-2-05 BY THE GOVERNOR OF THE STATE OF CALIFORNIA

(1-D) AWARD A CONTRACT FOR DEMOLITION OF THE OFFICE BUILDING LOCATED AT 4831 E. SHIELDS AVENUE FOR FRESNO YOSEMITE INTERNATIONAL (FYI) AIRPORT TO KEMEN & SON ENGINEERING IN THE AMOUNT OF \$153,381

(1-E) APPROVE AMENDMENT NO. 2 TO THE PROFESSIONAL CONSULTING SERVICES AGREEMENT WITH URS CORPORATION TO EXTEND THE CONTRACT TIME FOR THE MASTER PLAN UPDATE AND RELATED ENVIRONMENTAL STUDIES AT FRESNO YOSEMITE INTERNATIONAL (FYI) AIRPORT

(1-F) REJECT THE ONE BID RECEIVED FOR THE FRESNO YOSEMITE INTERNATIONAL (FYI) AIRPORT BAGGAGE CLAIM AND SECURITY CHECK POINT PROJECT DUE TO LACK OF COMPETITIVE PRICING

(1-G) RESOLUTION NO. 2006-185 - CONTINUING TO PROVIDE THE SALARY DIFFERENTIAL BENEFIT AND THE CITY'S PORTION OF THE EMPLOYEES' HEALTH AND WELFARE CONTRIBUTION FOR PERMANENT CITY EMPLOYEES WHO HAVE BEEN CALLED TO ACTIVE DUTY AS A RESULT OF THE ONGOING MIDDLE EASTERN CONFLICT

(1-H) RESOLUTION NO. 2006-186 - 82ND AMENDMENT TO AAR 2006-286 RE-BUDGETING CAPITAL PROJECTS AND ADJUSTING FUEL APPROPRIATIONS IN THE DEPARTMENT OF TRANSPORTATION/FRESNO AREA EXPRESS (FAX) TO REFLECT FUNDING UPDATES AND FUEL COST INCREASES

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(1-I) APPROVE THE ACQUISITION OF ONE (1) TEMPORARY CONSTRUCTION EASEMENT FROM PROPERTY OWNED BY RAMON URIBE, JR. AND AUDELIA C. URIBE FOR THE CENTRAL AVENUE SEWER MAIN PROJECT, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR TO ACCEPT THE TEMPORARY CONSTRUCTION DEED OF EASEMENT

(1-K) APPROVE AN AGREEMENT WITH MOORE, IACOFANO, GOLTSMAN, INC. (MIG) IN THE AMOUNT OF \$156,900 FOR PREPARATION OF AN ADA FACILITIES SURVEY AND TRANSITION PLANS AT VARIOUS CITY-OWNED FACILITIES

(1-N) REJECT ALL BIDS FOR TRAFFIC SIGNAL MODIFICATION AT THE INTERSECTION OF MAPLE AND SHIELDS AVENUES

(1-O) RESOLUTION NO. 2006-187 - APPROPRIATING \$85,500 FOR THE INSTALLATION OF MEDIAN ISLAND LANDSCAPING ON SHAW AVENUE, A PEDESTRIAN SIGNAL AT BLACKSTONE AND DAYTON, AND THE SANTA FE DEPOT PARKING LOT

(1-P) APPROVE THE ACQUISITION OF A 55 SQUARE FOOT STREET EASEMENT VALUED AT \$500 AND A 1,250 SQUARE FOOT STREET EASEMENT ON THE EAST SIDE OF CLOVIS AVENUE VALUED AT \$3,750 FOR THE RECONSTRUCTION OF CLOVIS AVENUE BETWEEN KINGS CANYON BOULEVARD AND MCKINLEY AVENUE, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR OR ASSISTANT DIRECTOR TO ACCEPT THE DEEDS OF EASEMENT FROM SAN JOAQUIN VALLEY RAILROAD AND SIGN ALL DOCUMENTS NECESSARY TO COMPLETE THE ACQUISITION

(1-R) RESOLUTION NO. 2006-188 - REALLOCATING \$15,000 WITHIN THE PEDESTRIAN & BICYCLE FACILITY FUND CAPITAL PROJECTS FOR BICYCLE PUBLIC SERVICE ANNOUNCEMENTS

(1-S) APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH BOYLE ENGINEERING FOR THE DESIGN OF WELLHEAD TREATMENT FACILITIES AT PUMP STATION 2-B FOR \$134,765 INCLUDING A 10% CONTINGENCY, AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY

(1-T) AUTHORIZE THE PUBLIC UTILITIES DIRECTOR OR DESIGNEE TO NEGOTIATE AND ENTER INTO AN AGREEMENT FOR RENTAL, INSTALLATION AND OPERATION OF WELLHEAD NITRATE TREATMENT EQUIPMENT FOR PUMP STATION 152, NOT TO EXCEED \$100,000, SUBJECT TO CITY ATTORNEY APPROVAL AS TO FORM

(1-U) AWARD A ONE-YEAR REQUIREMENTS CONTRACT, WITH PROVISIONS FOR TWO 1-YEAR EXTENSIONS, TO ZIM INDUSTRIES, INC., IN THE AMOUNT OF \$493,300 TO FURNISH AND INSTALL WATER WELL PUMPING EQUIPMENT

(1-V) ITEM REMOVED FROM THE AGENDA

(1-W) APPROVING UP TO \$150,000 IN HOME PROGRAM FUNDS FOR THE ACQUISITION AND REHABILITATION OF A BOARDED-UP DUPLEX LOCATED AT 3435 E. TYLER AVENUE INTO AFFORDABLE RENTAL UNITS, AND AUTHORIZING THE ASSIGNMENT OF THE PURCHASE AND SALE AGREEMENT TO FRESNO INTERDENOMINATIONAL REFUGEE MINISTRIES

(1-Y) RESOLUTION NO. 2006-189 - APPROVING THE FINAL MAP OF TRACT NO. 5315 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, NORTHWEST SIDE OF N. SALINAS AVENUE (NORTH OF W. SHAW), WEST OF FIGARDEN DRIVE AND EAST OF W. SAN JOSE AVENUE

1. AUTHORIZE THE PUBLIC WORKS AND PLANNING & DEVELOPMENT DIRECTORS TO EXECUTE THE NECESSARY DOCUMENTS

(1-CC) BILL NO. B-71 - AMENDING THE FRESNO MUNICIPAL CODE RELATING TO BICYCLE TAXIS

On motion of Councilmember Westerlund, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes :	None
Absent :	None

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(9:00 A.M.) PUBLIC COMMENT PERIOD:

("A") SCHEDULED COMMUNICATION - APPEARANCE BY WILLIAM MILTON TO DISCUSS THE FIRE DEPARTMENT'S INSURANCE SERVICE ORGANIZATION (ISO) RATING

Appearance made with Mr. Milton speaking to the need to have four firefighters per truck. President Duncan responded and spoke to the rating, to staff working hard to fix the existing system, to his hope that appropriate resources will be allocated, and to the importance of developing a strategy on getting to four firefighters per truck. There was no further discussion.

(9:15 A.M. "A") AWARD A CONTRACT TO AMERICAN SEATING COMPANY FOR INSTALLATION OF CITY-SUPPLIED SEATS AT THE SELLAND ARENA BASED UPON COUNCIL SELECTION OF BID ALTERNATIVE "A" OR "B"

1. RESOLUTION - AWARD A CONTRACT TO COMPLETE THE SEAT INSTALLATION IN 90 WORKING DAYS (Alternative "A")

2. RESOLUTION - AWARD A CONTRACT TO COMPLETE THE SEAT INSTALLATION IN 90 CALENDAR DAYS (Alternative "B")

City Manager Souza requested the matter be laid over one week as there was an issue with event scheduling and he needed to work with SMG so the 90 days would not be impacted.

On motion of Acting President Perea, seconded by Councilmember Sterling, duly carried, RESOLVED, Item 9:15 a.m. "A" laid over one week, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes :	None
Absent :	None

(2-A) REQUEST CITY MANAGER SET A DATE AND SCHEDULE A PRESENTATION TO COUNCIL ON THE CONSULTANT'S COMPLETED DEPARTMENT OF PUBLIC UTILITIES RATE STUDY AND 5-YEAR FUNDING PLAN - COUNCILMEMBER CALHOUN

Councilmember Calhoun gave an in-depth overview of the issue, all as contained in his report to Council as submitted and reading a portion of his report into the record; stated he has heard that a rate increase was needed to "everything is fine", his concerns were the bonding capacity, the threat to our economic development stability, and adequate DPU services, and he was beginning to question whether he should support any new development at all or at least not until Council is presented with the necessary information regarding the utility rates so an intelligent decision could be made; and requested (1) staff provide Council with the comprehensive information it needs to determine if the current rate structure will provide safe and adequate funding, (2) that the consultant study be provided, and (3) that the City Manager set a date for a presentation on this matter clarifying he wanted it anytime between now and when the DPU budget is heard, but not after.

Barbara Hunt, 2475 S. Walnut, spoke to the issue.

Addressing some of Councilmember Calhoun's comments City Manager Souza stated staff looking at other options did not categorically dismiss the report recommendations/information and stated the comment that the Administration believed everything was fine was another broad overstatement and explained; clarified the Mayor did not believe "everything was fine" but said it was time to take a hard, thorough look at this matter and added his plan was one that had been talked about; advised a commission was going to be formed to look at the overall process of utility rates, the plan and the consultant study and added he would get the study out to Council; confirmed bonding issues were coming up and further elaborated; stated the Mayor wanted staff to come back with a long-term strategy on where the

city was going with the provision of utility services adding a lot of big policy issues were involved; and recommended the requested presentation be held on June 15th when DPU's budget will be heard.

Councilmember Boyajian expressed his concern stating this was a problem three years ago, stressed a plan was needed now and not later, stated he supported increased rates rather than bonding, stated he was shocked there were no increases included in the budget, expressed further concern with giving a study that cost \$35,000 to a commission and added commissions are always slanted towards the Administration, and stressed the deficits had been known about for the last few years, the current rates were very low, and Council needed to do something now and not be afraid.

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President Duncan suggested Councilmember Calhoun schedule this matter on next week's agenda stating he did not think the budget was the right time for this discussion, upon his question Mr. Souza stated the consultant report would be submitted to Council this date, commented on the issue and expressed concerns stating Council had not seen the study and now that this was being addressed Council was hearing about the Mayor's "grand plan" for a task force which was not included in the budget and which no one knew anything about and elaborated, stated Council had a right to the information that taxpayers pay for in a timely manner, and stated he supported an open discussion on the report, he was very concerned about the City's ability to service constituents' needs, he was not real comfortable with the where the City was going at this time, and he looked forward to seeing the report. Mr. Souza clarified multiple reports from individual departments are received throughout the course of the year and not every one of them is brought back to Council and added to imply that somehow the report was hidden or deceived was again a mis-characterization, and stated a request was made and the report would be made available and if it was the will of Council have a discussion next week staff would do so.

Councilmember Westerlund stated he, too, was concerned about the issue and spoke to discussions he had with the former interim DPU director before he left and advised the regular indicators from staff were that this matter needed to be addressed and added he was frustrated it had not been, questioned where the Mayor's plan was, and stated somewhere along the line information flow on what needed to be done to address this came to a stop and added he looked forward to next week's presentation. There was no further discussion.

RECESS - 9:40 A.M. - 10:17 A.M.

(10:00 A.M. #1) CONTINUED HEARING ON CFD NO. 2, ANNEXATION NO. 118, TRACT NO. 5326

- 1. RESOLUTION - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX**
- 2. RESOLUTION - CALLING A SPECIAL MAILED-BALLOT ELECTION**
- 3. RESOLUTION - DECLARING ELECTION RESULTS**
- 4. BILL - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS**

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Public Works Director Kirn stated the staff report as submitted was complete and there was no new information to add.

Barbara Hunt, 2475 S. Walnut, spoke to notification issues.

Upon call, no one else wished to be heard and President Duncan closed the hearing.

President Duncan noted the tract was located in District 5, Councilmember Dages and staff stated it was located in District 2, and upon the request of Councilmember Calhoun action was delayed to after the following matter so he could review the matter further.

(10:00 A.M. #2) CONTINUED HEARING ON CFD NO. 2, ANNEXATION NO. 119, FINAL TRACT MAPS NO. 5374 AND 5313

- 1. RESOLUTION NO. 2006-190 - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX**
- 2. RESOLUTION NO. 2006-191 - CALLING A SPECIAL MAILED-BALLOT ELECTION**
- 3. RESOLUTION NO. 2006-192 - DECLARING ELECTION RESULTS**
- 4. BILL NO. B-72 - ORDINANCE NO. 2006-70 - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS**

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Public Works Director Kirn stated the staff report as submitted was complete and there was no new information to add.

Barbara Hunt, 2475 S. Walnut, stated council members needed the proper paperwork to make informed decisions.

Upon call, no one else wished to be heard and President Duncan closed the hearing.

A motion and second was made to approve staff's recommendation.

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Councilmember Boyajian stated the City was being pro-active and had been moving in the right direction wherein developers would be fixing streets/sidewalks, etc., and presented questions relative to why that stopped, where the legal opinion was on the pros and cons of that practice, and if that matter was supposed to have been scheduled for discussion in closed session. Mr. Kirn and City Attorney Sanchez responded throughout, clarified issues relative to CFDs 2 and 11, and proposed a workshop be scheduled on CFD parameters once the legal opinion is submitted, with Councilmember Boyajian stating his support and recommending it be scheduled in July after the budget.

On motion of Councilmember Dages, seconded by Acting President Perea, duly carried, RESOLVED, the above entitled Resolution Nos. 2006-190, 2006-191 and 2006-192 hereby adopted, and the above entitled Bill No. B-72 adopted as Ordinance No. 2006-70, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes : None
Absent : None

(10:00 A.M. #1) CONTINUED HEARING ON CFD NO. 2, ANNEXATION NO. 118, TRACT NO. 5326

1. RESOLUTION NO. 2006-193 - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX

2. RESOLUTION NO. 2006-194 - CALLING A SPECIAL MAILED-BALLOT ELECTION

3. RESOLUTION NO. 2006-195 - DECLARING ELECTION RESULTS

4. BILL NO. B-73 - ORDINANCE NO. 2006-71 - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS

(Continued from earlier)

President Duncan clarified the tract was located in Council District 1.

On motion of Councilmember Boyajian, seconded by Acting President Perea, duly carried, RESOLVED, the above entitled Resolution Nos. 2006-193, 2006-194 and 2006-195 hereby adopted, and the above entitled Bill No. B-73 adopted as Ordinance No. 2006-71, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes : None
Absent : None

(10:15 A.M. #1) CONTINUED HEARING ON THE VACATION OF A PORTION OF THE W. BELLAIRE AND N. MILBURN AVENUES INTERSECTION

1. RESOLUTION NO. 2006-196 - ORDERING THE VACATION OF THE ABOVE

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Public Works Director Kirn stated the staff report as submitted was complete and there was no new information to add.

Barbara Hunt, 2475 S. Walnut, questioned the vacation process.

Upon call, no one else wished to be heard and President Duncan closed the hearing.

On motion of Councilmember Boyajian, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2006-196 hereby adopted by the following vote:

Ayes : Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
 Noes : None
 Absent : None

(10:15 A.M. #2) CONTINUED HEARING ON CFD NO. 11, ANNEXATION NO. 7, FINAL TRACT MAP NO. 5406

147-189

6/6/06

1. RESOLUTION - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX
2. RESOLUTION - CALLING A SPECIAL MAILED-BALLOT ELECTION
3. RESOLUTION - DECLARING ELECTION RESULTS
4. BILL - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS
5. RESOLUTION - APPROVING THE FINAL MAP OF TRACT 5406 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, AND AUTHORIZING THE PUBLIC WORKS, PUBLIC UTILITIES AND PLANNING & DEVELOPMENT DIRECTORS TO EXECUTE THE NECESSARY DOCUMENTS

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Public Works Director Kirn advised the developer had not been able to resolve annexation issues with LAFCO and requested the hearing be continued one week.

On motion of Councilmember Boyajian, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Hearing on CFD No. 11/Annexation No. 7/Tract 5406 continued to June 13, 2006, at 10:00 a.m. #2, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
 Noes : None
 Absent : None

RECESS - 10:31 A.M. - 10:40 A.M.

(10:40 A.M. #2) CONTINUED HEARING ON CFD NO. 11, ANNEXATION NO. 6, FINAL TRACT MAP NO. 5530

1. **RESOLUTION NO. 2006-197** - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX
2. **RESOLUTION NO. 2006-198** - CALLING A SPECIAL MAILED-BALLOT ELECTION
3. **RESOLUTION NO. 2006-199** - DECLARING ELECTION RESULTS
4. **BILL NO. B-74 - ORDINANCE NO. 2006-72** - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS
5. **RESOLUTION NO. 2006-200** - APPROVING THE FINAL MAP OF TRACT NO. 5530 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, AND AUTHORIZING THE PUBLIC WORKS AND PLANNING & DEVELOPMENT DIRECTORS TO EXECUTE THE NECESSARY DOCUMENTS

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Public Works Director Kirn stated the staff report as submitted was complete and there was no new information to add.

Barbara Hunt, 2475 S. Walnut, questioned why there were no CFDs in District 3.

Upon call, no one else wished to be heard and President Duncan closed the hearing.

On motion of President Duncan, seconded by Acting President Perea, duly carried, RESOLVED, the above entitled Resolution Nos. 2006-197, 2006-198, 2006-199 and 2006-200 hereby adopted, and the above entitled Bill No. B-74 adopted as Ordinance No. 2006-72, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan

Noes : None
Absent : None

RECESS - 10:41 A.M. - 10:45 A.M.

The City Council recessed at 10:45 a.m. and convened in joint session with the Redevelopment Agency.

(10:45 A.M. #2) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

APPROVE AGENCY MINUTES OF MAY 16, 2006

147-190

6/6/06

On motion of Councilmember Westerlund, seconded by Councilmember Dages, duly carried, RESOLVED, the Agency minutes of May 16, 2006, approved as submitted.

("A") APPROVE THE QUITCLAIM OF STREET EASEMENTS FOR SEVENTEEN PARCELS FOR THE NIELSEN AVENUE RIGHT-OF-WAY BETWEEN WEST AND MARKS AVENUES, THE DEDICATION OF TWO STREET EASEMENTS AT WEST AND FREEWAY 180, THE TRANSFER OF TITLE TO A SEWER LIFT STATION NEAR NIELSEN AND HUGHES AND A WATER WELL SITE AT WEST AND FREEWAY 180, AND THE ACCEPTANCE OF THESE EASEMENTS AND FEE TITLE CONVEYANCES BY THE CITY OF FRESNO (Council and Agency action)

Senior Real Estate Agent Balch reviewed the issue as contained in the staff report as submitted.

Barbara Hunt, 2475 S. Walnut, spoke to the issue and in support.

On motion of Chair Sterling, seconded by President Duncan, duly carried, RESOLVED, the transfer of street right of way by 17 quitclaim deeds from the Redevelopment Agency to the City of Fresno hereby approved; the dedication of two street easements across Redevelopment Agency-owned parcels hereby approved; a transfer of fee title for a water well and a sewer pump station from the Redevelopment Agency to the City of Fresno hereby approved; and the easements and fee title conveyances by the City of Fresno accepted and the Public Works Director authorized to formally accept the deeds for recording purposes, by the following vote:

Ayes : Boyajian, Dages, Duncan, Perea, Westerlund, Sterling
Noes : Calhoun
Absent : None

("B") DIRECT THE AGENCY DIRECTOR TO NEGOTIATE AN EXCLUSIVE NEGOTIATION AGREEMENT (ENA) BETWEEN THE REDEVELOPMENT AGENCY AND REZA ASSEMI OR AN AFFILIATED LEGAL ENTITY WHICH WILL LEAD TO A MIXED USE HOUSING AND COMMERCIAL DEVELOPMENT IN THE FULTON REDEVELOPMENT PROJECT AREA CULTURAL ARTS AND ENTERTAINMENT DISTRICT

Agency Executive Director Murphey gave an in-depth overview of the issue, all as contained in the staff report as submitted. Acting President Perea stated these plans were very exciting and this was continuation of the work that has already been occurring throughout the Cultural Arts District, stated the approach to rebuilding the district was very unique in that downtown Fresno was being rebuilt one block at a time, and stated what was occurring here was a group of next generation builders that he believed had the capacity and vision for turning downtown into a true urban playground and requested Council's support. Chair Sterling commended the young group for coming forth and stepping forward and on their approach.

Speaking to the issue were: Barbara Hunt, 2475 S. Walnut **(3 - 0)**, who expressed various developer concerns and stated thorough research was needed; former Council member/RDA Chair Don Ronquillo who stated this was a critical part of revitalizing downtown and complimented the new generation, cautioned Council and the Agency about whether they wanted to enter into one exclusive arrangement and explained, and spoke to the need for true home ownership and suggested the Agency consider a provision wherein apartments being built can be converted to condominiums in the future; and Pastor Jim Franklin of Cornerstone Church who stated he was excited about any development in the area, they would be watching closely due to their stake in the area and to hopefully bring something to the table, and he looked forward to the joint bodies moving forward to see a positive development in that area.

Developer Reza Assemi stated this was going to take a group effort and the needs of everyone involved would have to be met to make this a reality, spoke to the importance of putting in infrastructure, and stated he was excited to work with Cornerstone and all other property owners in the area.

Discussion ensued with Ms. Murphey and Mr. Assemi responding to questions and comments of President Duncan and Councilmember Boyajian, and/or clarifying issues relative to direction to staff being at issue this date and not the ENA, if another proposal/developer coming forth would also be accepted, if financing would be private, if the tool of eminent domain was anticipated as an option, number of acres being looked at, if this project was near Broadway Row, need to maximize tax increment, if the developer considered home ownership, percentage of housing that would be ownership, what was envisioned for the commercial portion, if Tower District guidelines would be extended to the project, and if a market study was conducted. Councilmember Boyajian commended Mr. Assemi for his foresight.

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City Manager Souza stated he was a little surprised to see this matter on the agenda, advised he had an opportunity to speak with the Mayor and advised the Mayor was in strong support of this project and he appreciated the investment made by the group, noted Broadway Row and downtown housing had been a passion of the Mayor's for a long time, and reiterated the Administration was excited about this and looked forward to continuing this dialog and engaging whatever assistance they could.

Chair Sterling stated District 3 had a lot of challenges with high unemployment being one of them and challenged the new generation to hire those who need a chance and to remember the needs of the city and District 3.

Councilmember Calhoun cited Mr. Souza's comment about being supportive yet surprised to see this matter scheduled stating that made his case that there has not been the coordination between the Agency and the City, stated that lack of coordination was an underlying theme that ran through much of what Council deals with in their different hats, stated he was concerned and would continue to ask that the way the City and Agency work together be looked at, and stated while this was probably a very good project he could not support it as his concern was at the lack of trust level.

Acting President Perea thanked Mr. Assemi for investing his own money and acknowledged the partners stating that was very refreshing, stated the unique opportunities of housing, jobs, and retaining our creative professionals were here and made a motion to approve staff's recommendation, and added the ENA would address many of the issues brought up this date. Ms. Murphey responded briefly to additional questions of Councilmember Boyajian relative to whether an RFP was issued for this area, if any other proposal/developer has come forth, and if anyone else could still submit a proposal.

On motion of Acting President Perea, seconded by Chair Sterling, duly carried, **RESOLVED**, the Agency Executive Director directed to negotiate an Exclusive Negotiation Agreement between the Redevelopment Agency and Reza Assemi, or an affiliated legal entity, which will lead to a mixed use housing and commercial development in the Fulton Redevelopment Project Area Cultural Arts and Entertainment District, by the following vote:

Ayes :	Boyajian, Dages, Duncan, Perea, Westerlund, Sterling
Noes :	Calhoun
Absent :	None

The Council/Agency joint meeting was adjourned at 11:24 a.m. and the City Council convened in joint session with the Joint Powers Financing Authority, with Chair Autry absent.

(11:00 A.M.) JOINT MEETING WITH THE JOINT POWERS FINANCING AUTHORITY (JPFA)

("A") HEARING TO CONSIDER THE ISSUANCE OF LEASE REVENUE BONDS ("CONVENTION CENTER IMPROVEMENT PROJECTS"), SERIES 2006, BY THE JOINT POWERS FINANCING AUTHORITY (JPFA), TO FINANCE VARIOUS CONVENTION CENTER CAPITAL IMPROVEMENT PROJECTS AND ITS PUBLIC BENEFIT TO THE CITY

1. COUNCIL RESOLUTION NO. 2006-201 - APPROVING THE JPFA'S ISSUANCE OF THE BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF A FACILITIES LEASE, FACILITIES SUBLEASE, OFFICIAL STATEMENT AND CONTINUING DISCLOSURE CERTIFICATE, AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FINANCING

2. JPFA RESOLUTION NO. 23 - AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS, SERIES 2006A

AND 2006B, THE PROCUREMENT OF BOND INSURANCE, THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, FACILITIES LEASE, FACILITIES SUBLEASE, AND AN OFFICIAL STATEMENT, APPROVING FORMS OF AND AUTHORIZING PUBLICATION AND DISTRIBUTION OF AN OFFICIAL NOTICE OF SALE AND A NOTICE OF INTENTION TO SELL BONDS, AND AUTHORIZING THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE ISSUANCE OF THE BONDS

Interim Controller/Finance Director Bradley gave an in-depth overview of the issue, all as contained in the staff report as submitted.

Barbara Hunt, 2475 S. Walnut, spoke to the issue and expressed various concerns.

City Manager Souza stated unfortunately the Mayor did not get notice of this meeting until last Friday and had some prior commitments that could not be changed.

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Ms. Bradley, Mr. Souza and/or Treasury Accountant-Auditor Hardcastle responded to numerous questions of Councilmember Dages relative to the annual bond payment, the interest rate, pay-off term, and total debt service; and to questions of Councilmember Boyajian relative to how staff determined this was the best financing option, if the effects of the enhancements would contribute to the annual payments, yearly maintenance cost, if other financing options were looked at, and if this was the best financing arrangement.

On motion of Councilmember Westerlund, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Council Resolution No. 2006-201 hereby adopted, by the following vote:

Ayes :	Boyajian, Calhoun, Perea, Sterling, Westerlund, Duncan
Noes :	Dages
Absent :	None

On motion of Member Boyajian, seconded by Member Duncan, duly carried, RESOLVED, the above entitled JPFA Resolution No. 23 hereby adopted, by the following vote:

Ayes :	Boyajian, Duncan
Noes :	None
Absent :	Autry

The joint bodies adjourned their meeting at 11:42 a.m.

LUNCH RECESS - 11:42 A.M. - 2:02 P.M.

(2:00 P.M. #1) CONTESTED CONSENT CALENDAR:

(1-Q) RESOLUTION NO. 2006-202 - 83RD AMENDMENT TO AAR 2005-286 APPROPRIATING \$50,000 IN DEVELOPER CONTRIBUTIONS FOR STAFF WORK AND ACQUISITION PAYMENTS ASSOCIATED WITH THE ACQUISITION OF FIVE STREET EASEMENTS REQUIRED BY CONDITIONS OF PENDING TRACT 5300 AS SUBMITTED BY GENERATION HOMES

Senior Real Estate Agent Balch and Robert Wood of Generation Homes responded to questions of Councilmember Sterling and clarified issues relative to why this matter was before Council when five easements still needed to be acquired, if eminent domain would be used, if the remaining property owners have been talking with the developer, what the status was of the remaining parcels **(4 - 0)**, if the \$50,000 was needed to finalize the process, and if eminent domain was not going to be implemented. Councilmember Sterling requested staff keep her informed on this matter.

On motion of Councilmember Sterling, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2006-202 hereby adopted, and the Public Works Director or Designee authorized to allocate staff and resources to complete the acquisition, by the following vote:

Ayes :	Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
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Noes : Boyajian
Absent : None

(1-Z) RESOLUTION NO. 2006-203 - INTENT TO ESTABLISH A SPECIAL TAX DISTRICT (CFD NO. 12) AND AUTHORIZE THE LEVY OF A SPECIAL TAX FOR THE MAINTENANCE OF CERTAIN FEATURES IN AND NEAR VESTING TENTATIVE TRACT MAP NO. 5205 (WEST ½ OF THE COPPER RIVER RANCH DEVELOPMENT)

Councilmember Calhoun stated this was a new area and a fairly complicated CFD and he wanted to make sure things were not being rushed to meet deadlines for the developer, and noted information and materials were still coming in today which he did not understand and questioned if staff was comfortable with the process. President Duncan clarified at issue this date was setting the public hearing and added there was still time to work things out, and Public Works Director Healey explained the special tax district and stated staff was very excited about it and comfortable with it and requested Council's support.

On motion of President Duncan, seconded by Acting President Perea, duly carried, RESOLVED, the above entitled Resolution No. 2006-203 hereby adopted, by the following vote:

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Ayes : Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes : None
Absent : None

(1-J) AWARD A CONTRACT TO FLOYD JOHNSTON CONSTRUCTION, INC., FOR THE INSTALLATION OF 14" WATER MAIN, 8" SEWER MAIN AND STORM DRAIN FACILITIES ON BELMONT AVENUE BETWEEN MARKS AND VALENTINE AVENUES

-and-

(1-L) APPROVE AN AMENDMENT TO THE AGREEMENT WITH BLAIR, CHURCH & FLYNN CONSULTING ENGINEERS FOR PREPARATION OF WORK PLANS FOR THE NO NEIGHBORHOOD LEFT BEHIND YEAR 3 PROJECTS

-and-

(1-M) RESOLUTION - INTENT TO ANNEX FINAL TRACT NO. 5169 TO CFD NO. 2, ANNEXATION NO. 122, AND SETTING THE REQUIRED PUBLIC HEARING FOR JULY 18, 2006

-and-

(1-AA) BILL - AMENDING THE FRESNO MUNICIPAL CODE RELATING TO CARD ROOM EMPLOYEES OR POTENTIAL EMPLOYEES

-and-

(1-BB) BILL - AMENDING THE FRESNO MUNICIPAL CODE REQUIRING THAT INDUSTRIAL, COMMERCIAL AND MULTI-FAMILY PROPERTIES REMOVE GRAFFITI WITHIN 24 HOURS OF ITS APPEARANCE

The above contested Items 1-J, 1-L, 1-M, 1-AA and 1-BB were pulled during the morning session from the Consent Calendar and laid over to June 13, 2006, for consideration/action.

(2:00 P.M. #2) CLOSED SESSION/CONFERENCE WITH LEGAL COUNSEL:

(A) DECIDING WHETHER TO INITIATE LITIGATION - CASE NAME: COF V. VERNON RICHARDSON AND DOES 1 - 25

The City Council met in closed session in Room 2125 at the hour of 2:16 p.m. to consider the above matter and reconvened in regular open session at 2:36 p.m.

(2:35 P.M.) CONSIDER ACQUISITION OF PARCELS AT THE NORTHEAST CORNER OF DIVISADERO AND GLENN AVENUES FOR DEVELOPMENT OF A COMMUNITY YOUTH CENTER FOR THE PR&CS DEPARTMENT AND ENVIRONMENTAL FINDINGS

1. CONSIDER AND ADOPT E.A. NO. P-2005-1, FINDING OF A MITIGATED NEGATIVE DECLARATION

2. APPROVE THE ACQUISITION OF PROPERTY OWNED BY LA VERNE JEAN MAGARIAN AND PATRICIA MAE JUELL FOR THE PRICE OF \$269,00, AND AUTHORIZE THE PR&CS DIRECTOR TO EXECUTE THE AGREEMENT AND TAKE ALL

ACTIONS NECESSARY TO ACCEPT CONVEYANCE AND CARRY OUT THE AGREEMENT

Senior Real Estate Agent Balch reviewed the issue as outlined in the staff report as submitted, and Assistant PR&CS Director Haynes spoke additionally to the project including the background, the challenges with the original site, the proposed site, and the need to move forward on the project so grant funds are not lost.

Javier Guzman of the Chicano Youth Center spoke in support of the project and to its' importance to the youth and the inner city.

Councilmember Sterling stated this had been a long process, this was a good mixed use project and she was happy with it and added it would address blight and vacant lots in the area, thanked the property owners for making the property available, staff for all their work, and Mr. Guzman for his patience, and made a motion to approve staff's recommendation, which motion was seconded and later acted upon.

Lengthy discussion ensued. Councilmember Boyajian noted this project was the impetus for the grant writer position, stated Mr. Guzman and Alfonso Hernandez of the CYC had good vision, stated he felt CEQA was inadequate but the overriding consideration was the importance of this project to the youth and to the area, and presented questions relative to how the finding of no cumulative impacts was rationalized, what was going to be done to mitigate impacts including library impacts, and the CEQA challenges, with an unidentified staff member responding throughout.

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Councilmember Westerlund presented questions and comments on the site location and surrounding land uses, to the distance between the youth center and Dickey Playground, if any attempts were made to locate the project closer to the playground, his preference to have had the center and playground sites conjoined, if there was any opposition from the property owners in between, the informational meetings conducted by staff and what issues were highlighted, and the appraisal and it seeming to be on the high side, with Mr. Haynes, Historic Preservation Manager Hattersley-Drayton and Mr. Balch responding throughout.

Councilmember Calhoun stated this appeared to be a case of "we want the property and will pay whatever to get it" and presented questions/comments relative to where the additional \$34,000 would come from, what staff's comfort level was with paying \$34,000 over the appraised price, if negotiations occurred with the property owners, the possibility of this turning into a lawsuit and if the City Attorney was comfortable with the legal position in defending the land purchase, if this would be a new community center and if it would be part of Dickey Playground, and him always having been concerned with the name *Chicano* Youth Center as there were no centers named *Hmong* Youth Center, *White* Youth Center, etc., and questioned what this center's name would be, with Mr. Haynes, City Manager Souza, Mr. Balch, PR&CS Director Cooper, Public Works Director Healey and City Attorney Sanchez responding throughout.

Councilmember Sterling, along with Mr. Cooper and Mr. Guzman at her request, clarified and/or explained issues relative to the \$4 million in grant funds and breakdown, time lines this project is under, CDBG funds always being intended for the poor, blight and indigent-type areas, the group work that came up with the universal name "Dickey Youth Center", this being the first building in the city to meet and set the green standards, and the high prices that were paid for the Ophelia and Veteran's properties which are not considered blighted areas. President Duncan added the case could be made that the property was purchased at the high end and added eminent domain could have been utilized at the beginning but was not and stated the big picture needed to be looked at and he felt the price was worth it.

On motion of Councilmember Sterling, seconded by Acting President Perea, duly carried, RESOLVED, the E.A. finding for a Mitigated Negative Declaration hereby approved; the acquisition of APNs 459-325-07 and -08 owned by LaVerne Jean Magarian and Patricia Mae Juell for the price of \$269,000 hereby approved; and the Public Works Director authorized to accept the Grant Deed for recording purposes and sign all documents necessary to complete the acquisition process through escrow, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes :	None
Absent :	None

(2:45 P.M.) REPORT TO COUNCIL FROM FRESNO'S CHAFFEE ZOO CORPORATION ON THE STATUS OF THE ZOO TRANSITION

FCZC Board Treasurer Sheri Manning-Cartwright introduced FCZC board members and Fresno County Zoo Authority staff in

attendance, gave an update report on the Board's work over the past eighteen months and spoke to the smooth relationship with the FCZA board **(5 - 0)**, and introduced new CEO and Zoo Director Lewis Greene who stated he was thrilled to be here and was committed to moving the Zoo forward, and spoke to plans for the zoo and the three things that would be looked at immediately: retaining AZA accreditation, a master plan, and the existing zoo/infrastructure issues and submittal of a proposal to the Zoo Authority to address problems.

Councilmembers Westerlund, Calhoun, Sterling, President Duncan and Councilmember Boyajian welcomed Mr. Green and wished him and the Board good luck, and commented on various issues and/or presented questions relative to the \$117 million in revenues anticipated over the next ten years, consideration of an endowment/operation fund in case Measure Z is not extended, consideration of an overnight Zoo program, commendation to President Duncan for having the big vision, the Zoo being located in Roeding Park and the need to consider what role should be played to advance Roeding Park and Storyland, this being a great opportunity for the community, the background of the issue and the community's support, commendation to the Board and staff for all their hard work, former Zoo Director Waterhouse's vision of what the Zoo could be, need to look at the Zoo as part of Roeding Park and not independently, and Storyland being a jewel and hope for a funding mechanism to address Storyland and Roeding Park. President Duncan again thanked everyone involved and there was no further discussion.

(3:00 P.M.) CONTINUED HEARING ON R-05-86 AND ENVIRONMENTAL FINDINGS, FILED BY PROVOST AND PRITCHARD ENGINEERING ON BEHALF OF SUBDIVIDER NORTH HAYES 73 LLC AND PROPERTY OWNERS ROBERT AND GAIL BROOME, JACQUELINE BROOME TRUSTEE, AND JACQUELINE VAWTER, PROPERTY LOCATED ON THE EAST SIDE OF N. HAYES BETWEEN W. MCKINLEY AND W. OLIVE IN THE UNINCORPORATED PORTION OF THE CITY'S SPHERE OF INFLUENCE (1730, 1800 AND 1802 N. HAYES AVENUE)

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- 1. CONSIDER AND ADOPT E.A. NO. R-05-86/T-5586, DATED MARCH 30, 2006, FINDING OF CONFORMITY TO THE GENERAL PLAN MEIR**
- 2. BILL NO. B-75 - ORDINANCE NO. 2006-73 - AMENDING THE OFFICIAL ZONE MAP TO REZONE FROM RR TO R-1/UGM**

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon question Planner Unruh advised the staff report as submitted was complete and there was no new information to add.

Upon call, no one wished to be heard and President Duncan closed the hearing.

Upon question of Councilmember Sterling, developer Steve Perrin stated they were aware of all conditions and all the required infrastructure improvements and signalizations would be made. A motion and second was made to approve staff's recommendation.

Applicant representative Jeff O'Neil of Provost & Pritchard, Mr. Unruh, and Planning & Development Director Yovino responded to questions and comments of Councilmember Boyajian at length relative to whether the developer was required to improve West McKinley, if he was required to install signals, if any improvements would be made to Olive Avenue, if there was development surrounding the project, if a traffic study was not required, what was looked at in the initial study, concern with not looking at all impacts, what the study showed, if only impacts from this project were looked at, if any progress has been made with talks with Fresno County to alleviate problems, if staff was working with Fresno County on infrastructure needs, and if the County would be putting money into signalization and when that would happen.

On motion of Councilmember Sterling, seconded by Councilmember Dages, duly carried, **RESOLVED**, the environmental assessment hereby adopted, and the above entitled Bill No. B-75 rezoning the site adopted as Ordinance No. 2006-73, by the following vote:

Ayes :	Calhoun, Dages, Perea, Sterling, Westerlund, Duncan
Noes :	Boyajian
Absent :	None

RECESS - 3:50 P.M. - 3:56 P.M.

(3:30 P.M.) CONTINUED HEARING/DISCUSSION ON THE FISCAL YEAR 2007 CITY OF FRESNO BUDGET

ECONOMIC DEVELOPMENT DEPARTMENT: *(Continued from May 31, 2006)*

Councilmember Calhoun stated he was disappointed with the small amount of information provided on projects and encouraged staff from *all* departments to provide more detail next year, noted an email was received from the Mayor stating more budget material would be submitted tomorrow and stated even though he welcomed that it was like shutting the barn door after the horse got out noting one budget hearing had already been held, and presented questions/comments at length relative to his being uncomfortable with the Sports Town proposal as he knew nothing about it and there was not much detail on the budget or strategy, the outside consultant mentioned in regards to the Roeding Business Park (RBP), what the consultant would be doing outside the RBP, where the \$500,000 increase would be targeted and what the line items were, why there was over \$250,000 in salaries and pay if only one new position was being requested, the increase in travel & conference and what the plans were, and concern with the \$85,000 for the Fresno Area Hispanic Chamber of Commerce as funding is not given to other Chambers, it would send a questionable message, and it was dangerous to get into favoritism and was wrong and elaborated, with Interim ED Director Johnson and Budget Manager Smith responding throughout and clarifying issues.

MOTION - Calhoun/Boyajian - Defund the \$85,000 proposed for the Fresno Area Hispanic Chamber of Commerce and place those funds in contingency.

Upon question of Assistant City Manager Ruiz, President Duncan stated now was the time for Council to ask questions of staff and make motions and clarified debates on the motions would occur at the end of the hearings.

(6 - 0) Councilmember Westerlund presented questions/comments at length relative to the Enterprise Zone (EZ) fund, where that money comes from, what specified business areas funds are collected from, if businesses the City is trying to help have to pay another tax to fund the EZ, reserve amounts/amounts expended, amount in the fund at one time, loans, leftover funds, extension of the EZ, if the department had a staff person working specifically to shepherd businesses/businesses looking to leave/to see how businesses are doing/to see if businesses plan to expand, where the new management analyst would work/spend his time, what, if anything, the department has done with the UC Merced

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Medical Center, need to be involved in that matter and what needed to be done to attract the medical center downtown, the Sports Town Entertainment proposal not being an economic development activity/not a primary industry or primary job generator, encouraging recruitment events/marketing Fresno at other conferences, and his appreciation of the Friday meetings with staff, the RDA and EDC and the Mayor's economic development task force with his interest being outcomes, with Ms. Smith and Mr. Johnson responding throughout.

President Duncan thanked Mr. Johnson for being on board and for doing an exceptional job, commented/elaborated on various issues including his serious concerns with the Mayor's direction and priorities for economic development and also with communication between Council and the Administration, the comment made this date about communication between the City and the RDA and why he felt communication has not been better, and his not being satisfied that there is a real clear focus on the city's economic development strategy, and presented questions relative to where the strategic plan was to market the Roeding Business Park (RBP), when the draft plan would be finalized for Council review, if any budgeted funds were targeted for the RBP, and the Sports Town concept including if the Mayor was aware the footprint was in the Forest City area, if Forest City signed off/approved the proposed project, the \$2.4 million being proposed and how the money would be spent, what the expectation was to recover the funding, if any partners have been identified, if any firms have shown interest, feeling that the City will be purchasing buildings and hold on to them/flip them to make money, concern that CDBG money will be borrowed to speculate on a concept that has not evolved/developed, and his serious concerns with the City using taxpayer money to get involved in a highly risky retail venture in an area that does not have a plan.

MOTION - Duncan/Boyajian - Defund the \$2.4 million for the Sports Town Promenade (\$400,000 general fund money and \$2 million of Section 108 money).

President Duncan continued and commented/presented questions relative to the Municipal Restoration Zone (MRZ) including when Council would receive a detailed report on it, how the success of the program would be measured, the motion made to place its' \$1 million funding into contingency with 50% for fee reductions and 50% for rebates on sales tax generated, the challenge of that motion being the retail part and explained, and what would be done in the next year in the MRZ area to generate \$100 million in retail sales, with Mr. Johnson responding. President Duncan stated he felt the retail component was not thought through and should be eliminated with the focus being on fee reductions for new development.

MOTION - Duncan/Westerlund - MZR motion of 5/31/06 - Eliminate the \$500,000 in sales tax rebates and leave the MRZ budget at

\$500,000 for building fee reductions.

Mr. Ruiz clarified the \$500,000 was sales tax but it also could potentially be a property tax component or business license component, with President Duncan stating the City would still not get the incremental amount over the next twelve months to get anywhere near \$500,000 and it was best to focus on the development part.

President Duncan continued and spoke to the need to have staff to deal solely with companies to mentor them and shepherd them through processes/get them through the system and elaborated.

MOTION - Duncan/Westerlund - Add two (2) staff positions to the department to shepherd existing businesses or new interested businesses.

Ms. Smith, City Attorney Sanchez and Mr. Johnson responded to questions of President Duncan relative to the \$200,000 for Charges for Services, if the city attorney was comfortable legally with that charge, request to staff to confirm if that is a legitimate pass-through of costs for services being provided, and if any money was included in the budget for the downtown hotel.

Councilmember Westerlund spoke to Councilmember Boyajian's motion on doubling the department's budget to \$3.6 million stating it was wide open and offered an alternative motion.

MOTION - Westerlund/Duncan - Set aside/earmark \$1.6 million of the proposed \$3.6 million budget to be designated to be expended in city industrial areas for the acquisition of sites for industrial uses, shovel-ready certification, and/or infrastructure development.

Councilmember Boyajian stated Councilmember Westerlund's comments about UC Merced were important, advised he was the only official from the City who attended meetings when Sarah Reyes was in office, and stated as he leaves Council he felt someone needed to approach Assemblymember Arambula on what needed to be done to be on the table; relative to the department's Top-10 stated he hoped Council would be able weigh-in and propose what they feel are the Top-10 stating his would be much different and later elaborated; and noting Mr. Johnson had only been here a few months questioned if this budget was submitted by the department to the Administration, if department staff had much input, or if this was more of the Administration budget, with Mr. Johnson responding. There was no further discussion.

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The Budget hearing was continued to Wednesday, June 7, 2006, at 6:00 pm., at Fresno High School, 1839 N. Echo, to consider the Public Works Department budget.

ADJOURNMENT

There being no further business to bring before the City Council, the hour of 4:55 p.m. having arrived and hearing no objections, President Duncan adjourned he meeting to June 7, 2006, at 6:00 p.m. at Fresno High School.

Approved on the ____13th____ day of ____June____, 2006.

_____/s/_____
Jerry Duncan, Council President

ATTEST:_____/s/_____
Yolanda Salazar, Assistant City Clerk

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